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Innovative Economy and Issues of its Digitalization

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Abstract

The article highlights the features and prerequisites for the development of the digital economy. The factors of its significance for economic growth are determined. The creation of a unified digital platform will allow society to be involved in government management. A special feature is the implementation of freedom of movement of goods, services, capital and labor, as well as the implementation by the state of a unified policy in sectors of the economy.

Keywords: *digital economy, information technology, new economic technologies, risks of the digital economy.*

The topic of the digital segment of the economy has become relevant due to the qualitative changes that have occurred in society. New technologies and platforms allow enterprise management and individuals to reduce transaction costs of interaction on an ever-increasing scale and establish closer contact with business entities and government agencies. As a result, an economy based on network services is being formed, that is, digital or electronic. The very concept of "digitalization" indicates a new stage in improving the management of the production of goods and services and production itself based on the "end-to-end" use of modern information technologies, from the Internet to e-government technologies [1].

Digitalization efforts lead to the creation of a new society where human capital is actively developing, business efficiency and speed are increasing through automation and other new technologies, and the dialogue between citizens and the state becomes transparent.

The leading countries in the digitalization of national economies are China, Singapore, New Zealand, South Korea and Denmark. China, in its Internet Plus program, integrates digital industries with traditional sectors of the economy; Canada creates ICT hub in Toronto; Singapore is forming a "smart economy", the driver of which is information and communication technologies; South Korea's Creative Economy program focuses on the development of human capital, entrepreneurship and the dissemination of information and communication technologies; Denmark is focusing on digitalization of the public sector.

The main reason for the expansion of the digital segment of the economy is the growth of the transaction sector, which in developed countries accounts for over 70% of national GDP. This sector includes: public administration, consulting and information services, finance, wholesale and retail trade, as well as the provision of various utility, personal and social services. The greater the degree of diversification and dynamics of the economy, the greater the volume of unique data circulates within and outside the country and, accordingly, the more information traffic is generated within national economies.

The issue of developing the digital sector of the national economy in Uzbekistan is being raised to the state level, and large-scale measures are being implemented in this direction. In particular, electronic document management systems are being introduced, electronic payments are being developed and the regulatory framework created in the field of electronic commerce is being improved. At the same time, the digital economy, operating on information technology platforms, is developing rapidly.

According to the Resolution of the President of the Republic of Uzbekistan Sh. Mirziyoyev "On the development of the digital economy and e-government," the share of the digital economy in Uzbekistan's GDP is planned to double by 2023. The resolution also provides for the development of "digital entrepreneurship" with an increase in the volume of services in this area by three times by 2023 and bringing their exports to $100 million.

In the technological aspect, the digital economy is determined by four trends: mobile technologies, business analytics, cloud computing and social media; globally - social networks. At the same time, in order to effectively return investments in the national digital economy and receive dividends from it, it is necessary to develop not only ICT infrastructure in the context of global networks, but also "analog additions": a favorable business climate, significant human capital, and proper management [2].

The main factors for the phase transition to a positive trajectory of social and economic development are the following:

- implementation of the e-government concept;
- embodiment of the idea of a "digital city", which is due to the comprehensive informatization of transport, housing and communal services, etc.;
- massive appearance on the market of new technological generation goods (for example, the release of unmanned vehicles, etc.);
- increased use of 3D printers;
- implementation of the idea of building a "smart" and extremely environmentally friendly house, which will require a large volume of new finishing and building materials;
- increasing demand for innovative pharmaceuticals related to body rejuvenation and treatment;
- the spread of various alternative and free forms of employment, including outsourcing (accounting services, programming, creative activities, etc.);
- creation of numerous professional networks where potential employers place orders.

The listed factors are associated with reducing costs in production and management through the use of digital economy platforms, which can be considered as a combination of goods and electronic services. First of all, we are talking about platforms such as ordering services, sharing resources, selecting counterparties, e-commerce, payments, etc.

Technologically, the digital economy is an environment in which legal entities and individuals can contact each other regarding joint activities. Thanks to IT, modern production is increasingly characterized by high speed and variety in the provision of services and production of goods. The latter are characterized by the rapid development and emergence of new products and their increasingly short lifespan.

However, the large volume and unstructured nature of the accumulated data create an information barrier, and sometimes impede the processes of information exchange and management based on this information. The way out of this situation is seen in creating conditions that provide consumers with access to spatial data in electronic form and their effective use [3].

A key aspect of digitalization is the "Digital by default" principle, which provides for the planning and subsequent provision of public services exclusively in electronic form on the basis of a "digital platform", with expanded self-service capabilities.

The concept of "digital platforms" implies a variety of options for using a set of technologies for various types of activities: from search and information systems (Google, Yandex, Bing), e-commerce platforms (eBay, AliExpress) to social networks (Facebook, VK, Snapchat), from providers of cloud services (services) IaaS and PaaS, industrial and business management systems (based on the principle of an intelligent, "smart" object) to global digital technological (online) platforms (GoogleAlphabet, Amazon).

In particular, the Supreme Eurasian Economic Council, in its decision, considers the digital platform as a system of tools that supports the use of digital processes, resources and services by a significant number of subjects of the digital ecosystem and provides the possibility of their seamless interaction. In turn, the European Commission characterizes a digital platform as an enterprise operating in bilateral or multilateral markets and using the Internet to enable interaction between two or more separate but interdependent groups of users [4].

Each of these terms reflects some aspect of the digital platform revolution, demonstrating shifts in the way we produce, consume, work, finance and learn. Examples of such global platforms are Uber, eBay, Alibaba, Airbnb, Google, Amazon, etc. The most famous temporary platforms come from the sphere of B2C contracts, from the service sector. In a number of industries (including energy, banking, etc.), new digital companies have taken dominant positions, significantly influencing the real sector of the economy.

In particular, US digital platforms in terms of turnover are 6 times higher than similar platforms in the Asian region and 10 times higher than in Europe. As The Economist notes, the new commodity is creating an attractive, fast-growing industry, prompting antitrust regulators to step in and restrict those who control its flow. Previously, this commodity was oil. Now similar concerns are being raised by data giants—the "oil of the digital age"—Alphabet (parent company of Google), Amazon, Apple, Facebook and Microsoft. If in 2011 the list of largest companies was headed by 4 companies in the raw materials sector, then in 2018 all 5 leaders by capitalization were digital companies. The annual growth of capitalization of digital giants ranges from 28% for Facebook to 58% for Alibaba Group (Dogsofthe Dow.com).

According to various estimates, the digital economy brings enormous changes to more than 50% of different industries. This is because information technologies and platforms are fundamentally changing business models, increasing their efficiency through the elimination of intermediaries and optimization. As World Bank experts have found, increasing the number of high-speed Internet users by 10% can increase annual GDP growth by 0.4% to 1.4%.

Recognition of the importance of the role of the e-economy is the annual increase in its share in the GDP of states by almost 20%; in developed countries this figure averages 7%. In 2010, Boston Consulting Group estimated the size of digitalization at $2.3 trillion. For a group of 20 countries, this is about 4.1% of their GDP. With continued growth rates, in 10-15 years the share of such an economy in global GDP will reach, according to various forecasts, 30-40%.

In developing countries, the ICT sector accounts for about 1% of workers, a relatively small number of jobs are created directly in it, however, the number of people employed in other sectors, the development of which is facilitated by high technologies, will increase (4.9 jobs per 1 in the ICT sector) [3].

New opportunities for entrepreneurship and self-employment are also rapidly expanding in the digital economy. In many cases, investments in the development of information technology have made it possible to receive dividends in the form of economic growth, the creation of new jobs, the emergence of new types of services [5] for the population and business, and reduction of public administration costs within the framework of e-government projects.

However, in a number of countries the cumulative effect of their use turned out to be weaker than expected and is distributed unevenly. Maximizing the digital dividend requires a deeper understanding of how technology interacts with other development-critical drivers, what the World Bank Group Report calls "analog complements."

These include the following components:

- a regulatory framework that creates a dynamic business environment and allows enterprises and households to fully use digital technologies for competition and innovation, reducing various costs, and increasing the comfort of the living environment;
- skills that allow business and government officials to use the capabilities of IT;
- institutions (government agencies and private companies) that help use information technology.

However, assessing the economic effect of the digital economy is problematic due to the difficulties associated with calculating the connections that become possible for economic entities through electronic services and access to metadata. As a result, it is not easy to justify the feasibility of investing in various informatization projects, especially at the state level. Obviously, it is not always possible to calculate the cost of a created gigabyte of data in a particular area of activity. Estimates can be very different.

It is necessary now to join the general information and technological flow of updates and try to effectively implement them into the practice of all social and economic spheres. There are all the opportunities to make technological progress - a decent level of education, numerous cadres of young people who, with proper training, will compete with any "digital giant". In this regard, in the Address to the Oliy Majlis and the people of Uzbekistan, the President of Uzbekistan sets the task of making a radical turn in the development of the "digital economy", namely: to create an electronic platform for scientific achievements, a base of domestic and foreign scientific developments, to completely digitalize the spheres of construction, energy, agriculture and water management, transport, geology, healthcare, education, cadastral and archival affairs. Take special control over the project for introducing digital labeling and online cash registers. Complete the development of the "Digital Uzbekistan-2030" program. [5,6].

The global transition to digitalization will inevitably lead to unrecognizability of many sectors of the economy. Currently, this process is expanding in Uzbekistan, which will undoubtedly entail a change in the technological structure and production chains. In the near future, our lives will change beyond recognition, and the task of everyone involved in this process is not to miss this technological revolution. It is important to build our own priority niches for digital innovation, where at the lowest cost we can not only achieve independence in the domestic market, but also become recognized in the world community.

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